

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3142
ANSWERED ON:10.08.2001
ECONOMIC LIBERALISATION
GANGASANDRA SIDDAPPA BASAVARAJ

Will the Minister of FINANCE be pleased to state:

- (a) whether he attended the meeting of the World Bank-IMF and conveyed India's intentions of economic liberalisation;
- (b) if so, whether he has urged Japan to reform its financial sector and the European Union to relax its rigid labour markets to stave-off a global economic slowdown;
- (c) whether India has also urged the West to be more generous in providing foreign aid; and
- (d) the extent to which India has got response in these meetings ?

Answer

Minister of State in the Ministry of Finance (SHRI BALASAHEB VIKHE PATIL)

(a) & (b) Yes, Sir. The Finance Minister attended the Spring Meeting of the World Bank/ IMF held on 29th and 30th April 2001. The Finance Minister pointed out that India was firmly settled on a high growth trajectory and was well into the agenda for the second generation of structural reforms. The economy had successfully overcome the difficulties of the early 1990s through a calibrated programme of far reaching structural adjustments. The Finance Minister had also urged that the structural weaknesses in the banking sector in Japan should be redressed. He also pointed out that the European Union should address removal of labour and product market rigidities.

(c) The Finance Minister also urged the industrialised countries to take steps to increase development assistance.

(d) These meetings are an opportunity to express India's viewpoint and thus seek to influence the working of the World Bank and the International Monetary Fund.